

PROSPECTUS
AND
CHARTER OF INCORPORATION
OF THE
**British North American Fire Insurance
Company of Manitoba.**

CAPITAL, \$500,000 CURRENCY.

Provisional Directors.

J. H. ASHDOWN, Esq.

S. A. D. BERTRAND, Esq.

R. D. RICHARDSON, Esq.

R. J. WHITLA, Esq.

JAMES REDMOND, Esq.

L. W. COUTLEE, Esq.

S. O. CHUREY, Esq.

D. H. McMILLAN, Esq.

ALFRED JONES, Esq.

GEORGE W. BAKER, Esq.

Bankers. THE BANK OF OTTAWA.

Manager. ALFRED JONES, Esq. **Solicitor.** L. W. COUTLEE, Esq.

Winnipeg, Manitoba:

"TIMES" STEAM BOOK AND JOB PRINTING HOUSE.

1884.

999: British

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PROSPECTUS

OF

The British North American Fire Insurance
Company of Manitoba.

CAPITAL, \$500,000 IN 5,000 SHARES OF \$100 EACH.

THE BRITISH NORTH AMERICAN FIRE INSURANCE COMPANY OF MANITOBA has been formed for the purpose of carrying on the business of Fire Insurance throughout the Province of Manitoba, and for that purpose has obtained from the Provincial Legislature the liberal Charter of Incorporation which is presented with the present Prospectus.

Owing to the inability of the Fire Insurance Companies now doing business in the Province of Manitoba to undertake the increased number of risks constantly offering, and the advantage to be derived by retaining within the Province a large amount of the money annually sent elsewhere as insurance premiums, it has been considered that a local Company with resident Directors would have equal facilities for the transaction of Fire Insurance business, and would possess advantages over other Companies in obtaining risks, while the profit to be derived would be greater than that of Companies whose head office and board of management being at a distance could not transact business in the Province with the same satisfactory results to both Insurers and Policy Holders.

The Company proposes as soon as a sufficient amount of stock has been subscribed to enable it to carry on business under the provisions of its Charter, to open an Office in the City of Winnipeg, and branch offices in other cities and towns of Manitoba, and confine its business strictly to the most desirable class of risks, offering as an inducement to insurers

Experience shows that, during a comparatively dull season, the only other local Insurance Company doing business in Manitoba has been able to declare a very satisfactory cash dividend, with a stock bonus in addition.

Applications for shares may be addressed on the form hereto annexed, and accompanied by a deposit of ten per cent., to the Manager, at the Office of the Company, Donaldson's Block, Main Street, Winnipeg, to Mr. L. W. COUTLEE, the Solicitor, or to the Company's Bankers, at Winnipeg, from whom blank Forms of Application for shares can be obtained.

*To the Directors of The British North American Fire Insurance
Company of Manitoba.*

Please allot me Shares of \$100 each in the Capital Stock of The British North American Fire Insurance Company of Manitoba, for which I agree to pay ten per cent. per share upon allotment, and other calls thereon as the same may be made under the provisions of the Act of Incorporation of the said Company.

No. of Shares

Amount \$.....

Signature,

Occupation,

Address,

CAP. LXIII.

An Act to incorporate "The British North American Fire Insurance Company of Manitoba."

[Assented to 29th April, 1884.]

WHEREAS, James Henry Ashdown, Robert Jones Whitla, Samuel Orson Shorey, Simon Amable Damien Bertrand, James Redmond, Merchants; Dan Hunter McMillan, Miller; Robert Dennis Richardson, Stationer; Louis William Coutlee, Barrister; Alfred Jones and George William Baker, Brokers; have by their petition represented that the establishment of an association for the insurance of fire risks would be greatly beneficial to the interests of the Province of Manitoba, and tend to retaining therein a large portion of the money annually sent elsewhere as insurance premiums, and have prayed that they may be incorporated under the name of "The British North American Fire Insurance Company of Manitoba," and it is expedient to grant their prayer. Preamble.

Therefore, Her Majesty, by and with the advice and consent of the Legislative Assembly of Manitoba, enacts as follows:—

1. The persons hereinbefore mentioned and all such persons as now are or hereafter shall become shareholders of the said company shall be and are hereby constituted and declared to be a body corporate and politic, in law and in fact, under the name and style of "The British North American Fire Insurance Company of Manitoba," for effecting insurance against fire and lightning, and as such to have perpetual succession with a corporate seal and power from time to time to make, alter, break or change the same, and by that name may sue and be sued, plead and be impleaded in all courts whatsoever. British North American Fire Insurance Co. incorporated.

2. The capital stock of the said company shall be five hundred thousand dollars, divided into five thousand shares of one hundred dollars each, which said shares shall be and are hereby vested in several persons who shall subscribe for the same, their legal representatives and assigns, subject to the provisions of this Act. Capital stock \$500,000.

Provided always, that it shall be and may be lawful for the said company by by-law to increase its capital stock to a sum not exceeding one million dollars, as a majority of the shareholders at a special general meeting to be expressly convened for that purpose shall agree. Power to increase to \$1,000,000.

3. For the purpose of organizing the said company the persons named in the preamble to this Act shall be the provi-

Provisional
directors.

Opening of
stock books.

First general
meeting, notice
to be given.

Election of
directors

Calls on
shares.

Proviso.

sional directors thereof; and they or a majority of them, may cause stock books to be opened upon giving public notice thereof, upon which stock books shall be recorded the subscriptions of such persons as desire to become shareholders in the said company, and such books shall be opened in the city of Winnipeg and elsewhere at the discretion of the said provisional directors, and remain open so long as they may deem necessary.

4. So soon as fifty thousand dollars of the said capital stock shall have been subscribed as aforesaid, and ten per cent. of the amount so subscribed paid in, the provisional directors may call a general meeting of shareholders in the said city of Winnipeg, giving at least ten days notice of the time of said meeting and the place where it is to be held in the *Manitoba Gazette*, and in some daily newspaper published in the said city of Winnipeg, at which general meeting the shareholders present in person or by proxy, shall elect ten directors in the manner hereinafter provided, who shall constitute a board of directors and shall hold office until their successors are elected and the directors shall have power by by-law at any time hereafter to reduce the number of directors to any number not less than seven.

5. The shares of capital stock subscribed for shall after the first payment thereon be paid in and by such instalments, and at such times and places as the said directors or provisional directors shall appoint. No such instalments shall exceed ten per cent., and not less than one month's notice of any calls upon stock shall be given; and executors administrators and curators paying instalments upon the shares of deceased shareholders shall be and are hereby respectively indemnified for paying the same;

Provided always, that it shall not be lawful for the said company to commence the business of fire insurance until at least five thousand dollars shall have been actually paid in on account of subscribed stock; and provided also, that when the liabilities of the said company amount to five hundred thousand dollars, securities held by the said company, to the amount of not less than five thousand dollars shall be deposited with the Provincial Government; and when the liabilities of the said company amount to the sum of one million dollars, additional securities amounting to a further sum of five thousand dollars shall be deposited with the said government.

6. The stock, property, affairs and concerns of the said company shall be managed and conducted by the directors, one of whom shall be chosen president, and one vice-president, who shall hold office for one year, subject to the provisions of this Act. The said directors shall be shareholders residing in Manitoba, and elected at the annual general meeting of share-

holders to be held at Winnipeg in each year, on such day as may be appointed by by-law, not less than thirty days' notice of such meeting being given as provided in section four; and the said election shall be held and made by such of the shareholders present in person or by proxy as shall have paid all calls made by the directors then due, and all such elections shall be by ballot; and the ten persons who shall have the greatest number of votes at any such election shall be directors, except as herein directed; and if two or more persons have an equal number of votes in such a manner that a greater number of persons shall appear to be chosen as directors, then the directors who shall have a greater number of votes, or the majority of them, shall determine which of the said persons so having an equal number of votes shall be the director or directors, so as to complete the whole number of directors required by this Act; and the said directors so soon as may be after the said election shall proceed in like manner to elect by ballot one of their number to be president, and one to be vice-president; and if any director shall remove his domicile out of Manitoba, his office shall be considered vacated by the fact of such removal.

Qualifications,
terms of office
and election of
directors and
officers.

7. Any vacancy at any time happening amongst the said directors by death, resignation, disqualification or removal during the current year of office shall be filled for the remainder of the term by the remaining directors, or the majority of them, electing in place of such director or directors, a shareholder or shareholders eligible for such office.

Vacancies in
board of directors.

8. No person shall be eligible to be or continue as a director unless he shall be resident within the Province of Manitoba, and shall hold in his own name stock in the said company to the amount of twenty shares, whereof at least ten per cent. shall have been paid in, and that he shall have paid all calls made upon his stock, and shall not be indebted in any manner to the company.

Qualification
of directors.

9. In case it should at any time happen that an election of directors of the said company should not be made on any day when it should have been made under the provisions of this Act, the said company shall not thereby be or be deemed to have been dissolved, but it shall be lawful on any other day to hold and make an election in such manner as may be regulated by the directors for the time being; and the directors in office shall so continue until their successors have been duly elected.

Proceedings
upon
failure to hold
election.

10. At all general meetings of the said company each shareholder shall be entitled to give one vote for every share held by him for not less than fourteen days prior to the time of voting upon which all calls then due have been paid; such

Voting.

votes may be given either in person or by proxy but the holder of such proxy must himself be a shareholder, and no shareholder shall be entitled to give more than one hundred votes upon proxies held by him,

Majority of
votes to
decide.

11. All questions proposed for the consideration of the shareholders shall be determined by the majority of votes. The chairman presiding at such meeting, in addition to his own votes having a casting vote in case of an equality of votes.

Company to
have power to
grant insur-
ance policies
against fire.

12. The said company shall have power to make and effect contracts of insurance with any person or persons, or bodies, politic or corporate, against any loss or damage by fire or lightning on any houses, stores, or other buildings whatsoever, and on any shipping or vessels whatsoever, whithersoever proceeding against loss or damage by fire, and in like manner on any goods, chattels or personal estate whatsoever within the boundaries of the Province of Manitoba, for such time or times and for such premiums or considerations, and under such modifications or restrictions, and upon such conditions as may be bargained or agreed upon or set forth by and between the company and the person or persons insured or to be insured; and to cause themselves to be reinsured against any loss or risk they may have incurred in the course of the business; and generally to do and perform all other necessary matters and things connected with and proper to promote the objects for which said company is incorporated; and all policies or contracts issued or entered into by the said company shall be under the seal of the said company; and shall be signed by the president or vice president and countersigned by the manager, or otherwise as may be directed by the by-laws, rules and regulations of the company, and being so sealed, signed and countersigned shall be deemed valid and binding upon the said company according to the tenor and meaning thereof.

Place of
business.

13. The chief place of business of the said company shall be in the city of Winnipeg, in this Province.

Who may be
shareholders.

14. It shall be lawful for any person or persons, or body corporate or politic to subscribe for shares in the capital stock of the said company.

Sale of shares
for unpaid
calls.

15. If any shareholder shall refuse or neglect to pay the instalments due upon any share or shares held by him, the directors may forfeit such share or shares, together with the amount previously paid thereon, in such manner as may be provided by the by-laws, and such forfeited share or shares may be sold by the directors after thirty days notice to be sent by post prepaid and registered to the last known address

of such shareholder, and the monies arising therefrom shall be applied towards the payment of such unpaid instalments, with interest and expenses of sale. Provided always, that in case the money realized by any sale of shares be more than sufficient to pay all arrears and interest, together with the expenses of such sale, the surplus of such money shall be paid on demand to the former shareholder, and no more shares shall be sold than shall be deemed necessary to pay the arrears due by said shareholder with interest and expenses of sale. ^{Proviso.}

16. If payment of such arrears, calls, interest and expenses be made before any share so forfeited shall have been sold, such share shall revert to the owner as if the same had been duly paid before forfeiture thereof; and in all actions or suits for the recovery of such arrears or calls, it shall be sufficient for the company to allege that the defendant being the owner of such shares is indebted to the said company in such sum of money as the calls in arrear amount to for such and so many shares whereby an action has accrued to the company by virtue of this Act, and on this trial, it shall only be necessary to prove that the defendant was owner of the said shares in the company, and that said calls were made, that notice was given as directed by this Act, and it shall not be necessary to prove the appointment of the directors who made such calls or any other matter whatsoever, other than what is before mentioned and any copy or extract of any by-law, rule, regulation or minute, or of any entry in any book of the company, certified to be a true copy or extract under the hand of the president or vice-president, the manager or secretary of the company, and sealed with the corporate seal thereof, shall be received in all courts and proceedings as *prima facie* evidence of such by-law, rule, regulation, minute or entry without any further proof thereof, and without proof of the official character or signature of the officer signing the same or of the corporate seal. ^{Payment of call may be made up to time of sale.} ^{Actions for recovery of calls.}

17. At all meetings of directors, a majority of the full number of directors of the company shall be a quorum for the transaction of business, and all questions before them shall be decided by a majority of votes, each director present having one vote, and in the case of a tie the president, vice-president or presiding director shall, in addition to his own vote, give a casting vote. ^{Majority of directors to be a quorum.} ^{Casting vote.}

18. At the annual meeting of shareholders the election of directors shall be held, and all business transacted without the necessity of specifying such business in the notice of such meeting, and a general balance sheet of the affairs of the company with a list of all shareholders, and all such further information as shall be required by the by-laws of the company shall be laid before the meeting. ^{Annual meeting.}

Special meet-
ings.

19. Special general meetings of the shareholders may be called in such manner as may be provided for by the by-laws and by giving not less than ten days' notice, and at all meetings of the shareholders the president, or in his absence the vice-president, or in the absence of both of them, a director chosen by the shareholders, shall preside, who, in case of an equality of votes shall give the casting vote in addition to his vote as a shareholder.

Directors to
make by-laws.

20. Subject to the provisions of this Act, the directors shall have full power and authority to make and from time to time to alter such by-laws, rules, regulations and ordinances as shall appear to them proper and needful, touching the well ordering of the business of the company, the management and disposition of its stock, property, estate and effects, the calling of special general meetings, the regulation of the meetings of the board of directors and sub-boards or committees to facilitate the details of business, the cancellation of the appointment of any members thereof, the definition of the duties and powers of such sub-boards or committees, the making of calls upon the subscribed capital, the appointment and remuneration of officers and agents of the company, the regulation of their powers and duties and the salaries to be paid them, the regulation of the transfer of stock and the form of transfer, the compensation of directors and the establishment and regulation of agencies.

Proviso.

Provided always, that all such by-laws, rules, regulations and ordinances made by the directors as aforesaid shall only be valid and binding until the next annual general meeting of the shareholders unless they are then approved by such meeting, and shall thereafter have force and effect as so approved or modified at such meeting. Provided always, that such by-laws do not contravene any of the provisions of this Act.

Realty of com-
pany not to
exceed \$12,000
annual value.

Mortgages.

Investment of
funds.

21. The company shall have power to acquire and hold real estate for the purposes of its business within this Province of an annual value not exceeding twelve thousand dollars, and to sell or dispose of the same and acquire other property in its place as may be deemed expedient, and to take hold and acquire all such lands and tenements, real or personal estate, as shall have been *bona fide* mortgaged to it by way of security, or conveyed to it in satisfaction of debts previously contracted in the course of its business, or purchased at sales upon judgments which shall have been obtained for such debts, or purchased for the purpose of avoiding a loss to the company in respect thereof, or of the owner thereof, and to retain the same for a period not exceeding ten years from the date of the acquisition thereof; and the company may invest its funds or any part thereof in any of the public securities of the Dominion of Canada, or of any of the Provinces thereof, or in the

stocks or of any banks or building societies, or in the bonds or debentures of any incorporated city, town or municipality authorized to issue bonds or debentures, or in mortgages or loans upon real estate or in real estate.

22. No transfer of any share of the capital stock of the said company shall be valid until entered in the books of the company according to such form as may be from time to time fixed by the by-laws ; and until the whole of the said capital stock of the company is paid up, it shall be necessary to obtain the consent of the directors for the time being to such transfer being made. ^{Transfer of shares.}

Provided always, that no shareholder indebted to the company shall be permitted to make a transfer or receive a dividend until such debt is paid or secured to the satisfaction of the directors ; and no transfer of stock shall at any time be made until all calls thereon due up to the time of transfer shall have been paid. ^{Proviso.}

23. In the event of the property and assets of the said company being insufficient to liquidate its debts, liabilities and engagements, the shareholders shall be liable for the deficiency, but to no greater extent than the amount of the balance remaining unpaid upon their respective shares in the capital stock. ^{Liability of shareholders limited.}

24. No shareholder shall be liable to any action for any debt, liability or engagement of the said company by any creditor thereof before an execution against the company has been returned unsatisfied in whole or in part ; and the amount due on such execution shall, subject to the provisions of the next following section, be the amount recoverable, with costs against such shareholder. ^{Liability of shareholder not to arise until return of execution against company unsatisfied.}

Provided, that any shareholder may plead by way of defence in whole or in part any set off which he could set up against the company, except the claim for unpaid dividends, or salary or allowance, as a president or director ; and provided always that nothing in this section shall be considered to allay or diminish the additional liabilities of the directors of the company hereinbefore provided. ^{Proviso.}

25. Subject to the provisions of this Act, the directors of the company shall have full power in all things to administer the affairs of the company and to make or cause to be made for the company, all contracts, into which by law the company can enter, and may from time to time, make by-laws regulating the allotment of stock, the making of calls thereon, the payment thereof, the issue and registration of stock certificates, the forfeiture of stock for non-payment, the disposal of such forfeited stock and the proceeds thereof, the transfer of stock, the declaring and payment of dividends, the number ^{Powers of directors.}

and term of service of all directors, the appointment, functions, duties and removal of all agents, officers and servants of the company, the security to be given by them, their remuneration, and that (if any) of the directors, the time and place of annual meetings of the company, the calling of meetings of the board of directors, and of the company, the requirements as to proxies, the procedure in all things at such meetings, the imposition and recovery of all penalties and forfeitures admitting of regulation by by-law, and the conduct and management in all other particulars of the affairs of the company—and may, from time to time, repeal, amend or re-enact the same; but every such by-law, repeal or amendment or re-enactment, unless in the meantime confirmed at a general meeting of the company, duly called for the purpose, shall only remain in force until the next annual meeting of the company, and in default of confirmation thereat, shall from that time cease to have effect.

By-laws to be confirmed by shareholders.

Amalgamation with other companies.

26. The company shall have power to amalgamate with or purchase the business of any other insurance company, or to sell out and dispose of the business of the company to any other such company, upon such terms and conditions as may be agreed upon, and as shall not impair the recourse or remedy of any creditor of either company; but before the completion of any such amalgamation, purchase or sale, the consent of two-thirds of the votes of the shareholders shall be obtained at any general or a special meeting of the shareholders called for the purpose.

Company not to be trustee in respect of shares.

27. The company or directors shall not be bound to see to the execution of any trust either express, implied or constructive, affecting any share or shares of its stock; and notwithstanding any such trust any notice thereof to the company or directors, the receipt of the person in whose name any share stands shall be sufficient discharge to the company for any money paid in respect of such share or shares.

Company to be subject &c. Statutes.

28. This Act and the company hereby incorporated, and the exercise of the powers hereby conferred, shall be subject to any general laws in force, or that may hereafter be in force respecting fire insurance companies in virtue of any Act passed or which may hereafter be enacted by the Legislature of this Province.

Public Act.

29. This Act shall be deemed a Public Act.

